STATE OF NEW HAMPSHIRE
BEFORE THE
NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE d/b/a EVERSOURCE ENERGY
2020 LEAST COST INTEGRATED RESOURCE PLAN

DOCKET NO. DE 20-161

REPLY BRIEF OF PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE d/b/a EVERSOURCE ENERGY

I. Introduction

Public Service Company of New Hampshire d/b/a Eversource Energy ("Eversource" or the "Company") submits this reply brief in accordance with the procedural schedule established by the New Hampshire Public Utilities Commission (the "Commission") at the April 25, 2023 evidentiary hearing, as modified by the Commission's June 26, 2023 Procedural Order (2023 Apr. 25 Tr. at 93). In this brief, the Company responds to the initial briefs filed by the Office of Consumer Advocate ("OCA") and Clean Energy New Hampshire ("CENH") and provides further support for the 2020 Least Cost Integrated Resource Plan submitted by the Company in this docket (the "2020 LCIRP"). The OCA and CENH both recommend rejection of the Company's 2020 LCIRP based on their own policy agendas.[1]

In this proceeding, rejection of the Company's 2020 LCIRP is not warranted because the Company has met all statutory requirements with respect to the 2020 LCIRP, as well as all requirements agreed to in other proceedings. Accordingly, there is no valid basis for rejection of the 2020 LCIRP. In addition to meeting applicable statutory requirements, Eversource has

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[1] The OCA has made clear that it disagrees with the manner in which the LCIRP statute has been interpreted by the DOE, the Commission and/or New Hampshire utilities and is using this proceeding to further its position on the issue (see, e.g., 2023 Mar. 8 Tr. at 75, noting that OCA is preserving its objections for the record on appeal); see also OCA In. Br. at 1, 3; OCA's July 24, 2022 and March 2, 2023 Letters to the Commission). CENH has focused on the Company's application of the N-1 planning standard to DER interconnection in an effort to reduce interconnection costs for its DER developer members. These agendas should not distract the Commission from reaching a determination that the Company has demonstrated compliance with the LCIRP statute.

demonstrated a commitment to the continued evolution of its forecasting, planning, and operation of the distribution system. This commitment has resulted in significant changes between the original filing of the 2020 LCIRP and the date of this brief. These changes are already beginning to address the challenges facing New Hampshire and will be institutionalized with the next iteration of the Company's LCIRP.

II. Discussion

A. Response to the Office of Consumer Advocate

Consistent with its position throughout this proceeding, the OCA's Initial Brief recommends rejection of the 2020 LCIRP (OCA In. Br. at 1).[2] The majority of the OCA's Initial Brief is cluttered with baseless accusations that should by squarely rejected by the Commission, including disparagements that the Company and DOE are incorrectly interpreting the LCIRP statute and that the Commission is attempting to backfill the Company's filing (OCA In. Br. at 4-5).

OCA's "arguments" set the stage for the final section of the OCA's Initial Brief wherein the OCA lays out a list of allegedly uncontested "factual findings" together with a request that the Commission issue a ruling on each of these proposed factual findings pursuant to RSA 541-A:35 (id. at 23). However, none of the factual allegations have the effect of providing a legally correct basis for a Commission decision that would reject the Company's 2020 LCIRP; nor does OCA's overall conclusion carry any weight. OCA fails to refer to the record correctly and/or to provide a complete list of relevant "factual findings" that can be relied on by the Commission.

[2] As discussed at the hearings in this matter, the OCA did not issue any discovery in this proceeding and participated in a limited number of technical sessions and/or settlement discussions (2023 Mar. 8 Tr. at 215). The OCA has instead focused solely on obstructing approval of the 2020 LCIRP in order to prevent the Company from making any adjustments to its rates in a future rate proceeding (see OCA Letter to the Commission dated June 22, 2023). Although OCA devotes an entire section of its brief to arguing that the Company was not blindsided by its opposition the 2020 LCIRP, this is not a position that the Company has ever taken (OCA In. Br. at 7). The Company has been aware of the OCA's position during this proceeding. Eversource simply disagrees that OCA's arguments demonstrate a failure by the Company to meet its burden.

For example, alleged factual finding number 44 is based on incorrect assertions and fails to demonstrate any non-compliance with the LCIRP statute. Factual finding 44 states "Responsibility for approving the LCIRP, as indicative of the Company's overall plan for provision of service on a least-cost basis while still complying with the state energy policy enumerated at RSA 378:37, is not vested in a single company employee; rather various sections of what Eversource has submitted for approval are the responsibility of various Company officials" (OCA In. Br. at 20-21 (citations omitted)). The Company agrees that development of the LCIRP is a collaborative effort within the Company's internal organization. The requirements of RSA 378:38 encompass a wide range of plan components including forecasting, assessment of resource options, etc. There is no doubt that the tasks that support these plan components require different skill sets and expertise resulting in a "team" effort for development of the LCIRP (e.g., the Company personnel responsible for forecasting are not the same as the Company personnel responsible for project selection).[3]

However, the OCA fails to provide any basis for the proposition that assigning different portions of the LCIRP to different experts at the Company would be inconsistent with the Company's statutory obligations. The OCA also fails to explain why it would be in conflict with the LCIRP statute if the 2020 LCIRP was not re-approved by a new president of the Company. At the hearing, the Company explained that the current president of the Company did not approve the 2020 LCIRP because he was not president at the time of the filing.[4] The Company did confirm

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[3] The OCA notes in alleged factual finding 18 that the witnesses providing testimony at the hearings in this matter "lacked even a basic familiarity with the NHSaves Program" (OCA In. Br. at 14). This alleged factual finding is based on uncertainty regarding the New Hampshire energy efficiency program's official name (2023 Mar. 7 Tr. at 99). The OCA misrepresents this testimony to discredit the Company's witnesses, which simply highlights why the Company relies on a large group of experts to support the LCIRP. For more detailed energy efficiency issues, the Company would rely on the New Hampshire Manager of Energy Efficiency (id. at 100).

[4] Douglas Foley was named President of the Company in September 2021 nearly one year, after the filing of the 2020 LCIRP. See https://www.conwaydailysun.com/business/local/eversource-names-doug-foley-president-of-nh-operations/article_1f2d9324-0cd9-11ec-979c-3f586a15ab6d.html.

that the previous president (who has since left Eversource) would have approved the 2020 LCIRP prior to its filing (2023 Mar. 7 Tr. at 89).

Lastly, and perhaps most problematic, is that the OCA misrepresents the Company's testimony in support of factual finding 44. The OCA's Initial Brief states that the Company's witness testimony was "confirming that the president of Eversource New Hampshire, Douglas Foley, had not personally approved the LCIRP, as at the time, he had only recently taken office" (OCA In. Br. at 21 citing 2023 Mar 7 Tr. at 88, lines 14-19). This assertion mischaracterizes the Company's testimony which was as follows:

> Q. [Attorney Kreis]: And has the president approved the total LCIRP plan?
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> A. [Company Witness Johnson]: The president at the time that [the LCIRP] was filed has since left Eversource New Hampshire. We have a new president, Mr. Foley. So directly, no he has not. He has only been with the Company for a matter of months. So, the filing was done under a prior president.

(2023 Mar. 7 Tr. at 88).

As the Company's witness reiterated in response to the OCA's next question, the president at the time of the filing of the 2020 LCIRP approved the 2020 LCIRP (2023 Mar. 7 Tr. at 89). When the OCA asked who had approved the 2020 LCIRP for a third time, the Company's witness replied:

> I'm not sure how to address your question, other than the way that I have addressed it. At the time of the filing, and of the supplement, the president at that time approved of those filings and the supplement.

(id. at 89-90).

Despite this lengthy exchange, the OCA continues on brief to mischaracterize why the Company's current president did not approve the 2020 LCIRP prior to its submission. It is therefore clear, that OCA's claim in its initial brief that "[i]t does not appear that any of the asserted facts are in dispute," is in error and cannot be relied on (OCA In. Br. at 23). The Company does, in fact, dispute OCA's characterization of the facts in this proceeding, and the OCA's Initial Brief should be disregarded as unreliable and irrelevant to the Commission's decision making for that reason. Nevertheless, the Company responds to OCA's findings of fact below to ensure a complete record:

1. **Response to proposed factual findings 1-3 (LCIRP Plan Components)**: The Company disputes factual findings 1-3 as incomplete. OCA omits reference to the Company's Supplement filed in October 2022 (Exh. 8). The Company's 2020 LCIRP provides both a high-level overview and also detailed data and methodology information (see Co. In. Br. at 5-18 for a detailed discussion of how the Company has complied with the LCIRP statute). The Company's 2020 LCIRP includes detailed appendices to address specific issues including the Company's load forecasting, NWA Framework, project documentation, and smart grid technology (see Exh. 1, at Bates 000046).

2. **Response to proposed factual findings 4-10, 14, 34-35, 44-51 (Compliance with LCIRP Statute):** The Company disputes proposed factual findings 4-10, 14, 34-35, 44-51 as incomplete and/or incorrect. The Company's 2020 LCIRP provides an overview of how the Company has complied with RSA 378:38 (Co. In. Br. at 5-18). The Company's 2020 LCIRP also identifies the statutory requirements that are not currently applicable to the Company's operations. For example, the Company is required pursuant to the settlement agreement approved in Docket DE 17-113 to solicit default energy resources through a competitive solicitation (see Co. In. Br. at 10, 12). Therefore, while the OCA is correct that reducing default energy supply costs presents an opportunity to lower energy costs, this reduction must be undertaken consistent with the terms of the settlement agreement approved in DE 17-113 and are not addressed through an additional assessment in the 2020 LCIRP.

   The Company also explained at the hearing in this matter that it would address supply in a future LCIRP *if applicable* (2023 Mar. 8 Tr. at 79). In addition, OCA's vague references to integrated resource planning in "various jurisdictions" as support for how the Company's 2020 LCIRP is deficient are not compelling (OCA In. Br. at 12). With the divestiture of assets, integrated resource planning in New Hampshire should only be compared to other deregulated jurisdictions. Further, the OCA's own witness acknowledged that the type of analysis OCA is suggesting is not actually common and therefore the Company is not an outlier in the industry with respect to how it conducts its forecasting and planning (2023 Mar. 8 Tr. at 191, stating that a comparison of resource options is not done as commonly as it should be).

3. **Response to proposed factual findings 11-13, 15-22 (Assessment of Demand Side Options, including Energy Efficiency):** the Company disputes factual findings 11-13, 15-22 as incomplete and unsupported by the record. The Company accounts for energy efficiency ("EE") in two ways as part of its forecasting and planning. First, the Company accounts for the impacts of its NHSaves EE program as part of its forecast methodology (Exh. 1, at Bates 000049; see also 2023 Mar. 7 Tr. at 97-98). Second, the Company evaluates additional EE, distributed energy resources ("DER"), and storage

in lieu of traditional investments through its NWA framework (id.; see also 2023 Apr. 25 Tr. at 42).

4. **Response to proposed factual findings 23-24 (Electrification):** The Company disputes factual findings 23-24 as incomplete and unsupported by the record. The Company has added to its team since the 2020 LCIRP was filed (2023 Mar. 8 Tr. at 20). With the addition of this new expertise, the Company can now conduct electrification forecasts (id.). The Company has already committed to including data that reflects these new skill sets as part of its next LCIRP (id.). The Company's affiliate is also engaged in a study that considers the impacts of electrification to the distribution system, including investments (id. at 27-28). Any changes to rate design would need to occur in the context of a separate rate proceeding and therefore is beyond the scope of this docket.

5. **Response to proposed factual finding 25[5] (DER):** The Company disputes proposed factual finding 25 as incorrect. Additional DER is considered as part of the Company's NWA analysis (2023 Apr. 25 Tr. at 42).

6. **Response to proposed factual findings 26-31 (Grid Modernization):** The Company disputes factual findings 26-31 as incomplete and unsupported by the record. The Company addressed grid modernization investments in its 2020 LCIRP. As explained in the Company's Initial Brief, after the filing of the 2020 LCIRP, the Company agreed to participate in an AMI Feasibility Assessment that will further detail the costs and benefits of different scenarios for AMI deployment (Co. In. Br. at 10, citing Exh. 24). This feasibility study will inform deployment of AMI across the state. AMI is a foundational element of grid modernization for the Company (id.). The Company continues to develop its strategy for AMI deployment and has continued to make "enabling" investments that will support broader grid modernization efforts in the future (id.; see also Exh. 11, at Bates 000090-000091; see also 2023 Apr. 25 Tr. at 43).

7. **Response to proposed factual findings 32-33 (Renewable Resources):** The Company does not currently have utility scale renewable resources and therefore these resources were not included in the 2020 LCIRP (Co. In. Br. at 9, 13). However, the Company does focus on facilitating the development of renewable and/or DER projects and installations by customers as part of its distribution system planning (Exh. 1, at Bates 000047; see also Exh. 1, at Bates 000014 (Section 5: Distribution System Planning)).

8. **Response to proposed factual findings 36-41 (Statutory Compliance):** The Company agrees that it has satisfied the requirements of RSA 378:38. The Company has also acknowledged feedback from stakeholders and the Commission regarding the format of the 2020 LCIRP. The Company is committed to incorporating this feedback into its next LCIRP to ensure that it is presented in a format that is easy to review (2023

[5] In footnote 6, the OCA states that one of the Company's witnesses "offered a startingly forthright admission of this deficiency" (OCA In. Br. at 15). However, OCA once again misrepresents the quote by attributing it to the wrong Company witness (see, 2023 Mar. 8 Tr. at 32-34). In addition, the OCA fails to include the context in which the testimony was provided. Company Witness Freeman was not admitting to a deficiency in the LCIRP but simply responding to the following question from Chair Goldner regarding future investments on the Company's system: "…what's on your wish list, in order to do a better job, from your perspective?" (2023 Mar. 8 Tr. at 32).

Mar. 8 Tr. at 19). The Company submitted its Supplement (Exh. 8) in October 2022 in response to a recommendation from DOE (id. at Bates 000007). The Company did not fail to satisfy the requirements of RSA 378:39 (OCA In. Br. at 18). Exhibit 8 addresses RSA 378:39; this statutory provision provides guidance for the Commission's review of an LCIRP but does not address the contents of an LCIRP in the same way that RSA 378:38 does (Co. In. Br. at 16, fn. 11).

9. **Response to proposed factual findings 42-43 (NWA Framework):** The Company acknowledges that it has certain thresholds in place for when the NWA Framework would be applied (2023 Apr. 25 Tr. at 14). During the course of this proceeding, DOE questioned whether these thresholds should be adjusted (see Exh. 16, at Bates 000023-000024). To address this concern raised by DOE, Eversource and DOE engaged in discussions that resulted in the Settlement Agreement (Exh. 22). The Settlement Agreement includes an agreement that the Company will conduct an NWA investigation to collect data regarding certain adjustments to the NWA thresholds (Exh. 22, at Bates 000009-000011; see also 2023 Apr. 25 Tr. at 15). The results of this NWA investigation will inform whether adjustments to the NWA thresholds are made (id.). Specifically, the NWA investigation is designed to determine whether the additional costs associated with lowering the thresholds for performing an NWA analysis are justified through identification of additional NWA projects (2023 Apr. 25 Tr. at 22).

In conclusion, the OCA asserts that its Initial Brief was unnecessary because the Commissioners indicated why the 2020 LCIRP is inadequate (OCA In. Br. at 23). However, like many of the statements in the OCA's Initial Brief, its conclusion misconstrues the record by cherry picking statements from the transcript (id.). It is correct that Chair Goldner expressed frustration with the format of the 2020 LCIRP; however, frustration with *format* is not the same as finding a filing inconsistent with statutory requirements (see id. citing 2023 Mar. 7 Tr. at 265). Even considering the totality of information presented in the OCA's Initial Brief, there is simply no basis for rejecting the Company's 2020 LCIRP.

B. Response to Clean Energy New Hampshire

As discussed above, CENH also recommends rejection of the Company's 2020 LCIRP. In support of this recommendation, CENH dedicates the first sections of its brief to explaining its own interpretation of the LCIRP statute with an emphasis on the potential for cost savings through implementation of DER. CENH concludes its introduction by stating that "[a]pproval of this Agreement and the Plan would send a message to NH's regulated utilities that preparation for foreseeable future conditions is not necessary and that they are free to implement reactive solutions rather than active management of the system, a decision that could come at great cost to NH's ratepayers" (CENH In. Br. at 7[6]).

This argument is erroneous for several reasons. First, the Commission should be reviewing the LCIRP for consistency with the statute and not for purposes of "sending a message."[7] It is clear from the detailed discussion in the Company's Initial Brief that the Company has complied with the statutory requirements (Co. In. Br. at 5-18). Second, CENH's argument ignores the Company's October 2022 Supplement and testimony at the hearing that provided details regarding specific actions being taken by the Company to address the evolution of the Company's system to integrate DER and invest in grid modernization technologies. For example, the Company is investing in tools that will facilitate interconnection (Exh. 8 at Bates 000023-000024). The Company is also working on improvements to the hosting capacity information that it has begun to deploy (id., at Bates 000024; see also 2023 Mar. 8 Tr. at 29). The Company's progress since 2020 is neither reactive nor does it ignore future conditions. Accordingly, as discussed in the Company's Initial Brief and below, the record simply does not support a determination that the Company "failed to evolve" in the years since its 2020 filing.

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6 The Initial Brief filed by CENH does not include page numbers. References to page numbers are to the page number of the PDF file submitted by CENH.

7 CENH also notes that the LCIRP statute has been modified only slightly in 2014 and 2021, in an attempt to imply that any alleged shortcomings of the 2020 LCIRP must result in rejection of the plan (CENH In. Br. at 6). However, the fact that the LCIRP has remained largely the same despite the significant transition that the electric distribution grid, in general, and New Hampshire, in particular, are undergoing simply underscores the challenges faced by the Company in attempting to create an LCIRP that complies with the statute, complies with previous commitments, and also address an evolving regulatory and technical landscape. For example, the Company completed divestiture of its generating assets in 2018. Despite this monumental shift in its business structure, the LCIRP statute remains substantially the same. This creates a mismatch between the statute and the reality of the Company's operations. Despite these challenges, the Company has met its statutory obligations and has also engaged with the parties during this proceeding in an effort to improve future LCIRP filings in response to feedback.

1. The Company has Demonstrated Compliance with the RSA 378:38

CENH's Initial Brief makes four recommendations. The first two recommendations (that the Commission should reject the Settlement Agreement between DOE and the Company and reject the 2020 LCIRP) are supported by the same arguments (CENH In. Br. at 9-16). CENH argues that the Company has failed to comply with RSA 378:38 which sets forth the filing requirements for an LCIRP. The Company's Initial Brief includes a detailed discussion of how the Company has complied with each of these components, where applicable.[8] The Company also briefly responds to each of CENH's arguments below.

a. The Company has Complied with RSA 378:38, I through IV

CENH acknowledges that the Company has provided a forecast and provided the methodology for how the Company calculates its load forecast including accounting for growth in behind-the-meter solar photovoltaics, energy efficiency, and electric vehicles (CENH In. Br. at 10). Nevertheless, CENH argues that because the Company did not provide individual forecasts for BTM, PV, EE, and EVs in its filing, the Company's plan is incomplete (id.). This argument should be disregarded. There is no requirement to provide individual forecasts and this should not serve as the basis for rejecting the Company's 2020 LCIRP.[9] In fact, the DOE's witness testified that the Company's forecast was not only consistent with the statutory requirements but also determined to be consistent with leading industry practices (2023 Mar. 8 Tr. at 99).

CENH next argues that the Company failed to include "an assessment of demand side energy management programs, including conservation, efficiency, and load management

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[8] The Company incorporates the discussion from its Initial Brief herein by reference.

[9] If the Commission determines that this level of detail would be informative, the Company could provide this detail as part of its next LCIRP filing. In light of the grid's ongoing evolution and transition, the Company has acknowledged throughout the proceeding that changes will be necessary for its next LCRIP and has welcomed specific feedback. The format and contents of the 2020 LCIRP is the result of several settlement agreements and feedback in previous dockets. If this format and the contents of the LCIRP are no longer facilitating its review, this docket should be used as an opportunity.

programs" as required by RSA 378:38, II (CENH In. Br. at 11). However, what CENH is actually arguing is that it disagrees with the Company's assessment (see id.). CENH acknowledges that the Company has addressed this requirement in Section 11 of its LCIRP but argues that the Company could do more (id.). Specifically, CENH argues that the Company should be considering additional EE beyond the NH Saves program; and offering programs that would enable third-parties to efficiently provide private-funded energy conservation, efficiency, and load management programs through battery storage programs, managed charging of EVs, and time varying rates (id.). This type of analysis is precisely what the Company's Non-Wires Alternative Framework can provide (2023 Apr. 25 Tr. at 42). Therefore, by including its NWA Framework, the Company is considering these options as alternatives to traditional investments.

With respect to RSA 378:38, III (assessment of supply options) CENH argues that the Company's approach is "passive" (CENH In. Br. at 12). As the Company explained in its 2020 LCIRP and Initial Brief, the Company is focused on accommodating development of renewable and/or DER projects and installations by customers as part of its distribution system planning (Co. In. Br. at 9, citing, Exh. 1, at Bates 000047; see also Exh. 1, at Bates 000014 (Section 5: Distribution System Planning)). This focus is not reactive or passive. Instead, the Company has continued to make adjustments to its forecasting and modeling to reflect its expectation that development of renewable and DER facilities in New Hampshire will not just continue but expand (Co. In. Br. at 24 citing Exh. 8, at Bates 000020). The Company is also committed to investing in tools that will facilitate interconnection (Co. In. Br. at 24 citing Exh. 8, at Bates 000023-000024). CENH attempts to point to the Company's NWA Framework as an example of the Company's reactive treatment of DERs (CENH In. Br. at 13).

Specifically, CENH argues that the Company's definition of an NWA is too restrictive because it limits NWAs to assets that will remain within the control of Eversource (CENH In. Br. at 13 citing 2023 Apr. 25 Tr. at 45-46). As discussed in greater detail below, and as the Company explained at the hearing in this matter, when the Company is performing an NWA analysis it is doing so to address a specific need (2023 Apr. 25 Tr. at 45). It is therefore important for the solution to that specific need to be available when called upon and this requires the asset to be under the Company's control (id.).

RSA 378:38, IV requires an assessment of distribution and transmission requirements, including "smart grid" technologies. The Company addressed this requirement in its 2020 LCIRP (see Co. In. Br. at 10 citing Exh. 1, at Bates 000262-000269). As CENH acknowledges in its Initial Brief, the Commission's grid modernization docket (DE 15-296) concluded after the filing of the 2020 LCIRP (CENH In. Br. at 14). This timing meant that the Company did not have the benefit of Commission guidance prior to filing the 2020 LCIRP. Nevertheless, the Company has continued to invest in technologies that will enable grid modernization on its system (Exh. 24). The Company also agreed to an advanced metering infrastructure ("AMI") feasibility study in its most recent rate proceeding (Docket DE 19-057) that is moving forward (see id.). These investments will allow the Company to adjust to the ongoing evolution of electric distribution service, including consideration of time varying rates.[10]

b. RSA 378:38, V and VI are Not Currently applicable to the Company.

An area of disagreement that has arisen in this proceeding is that OCA and CENH have chosen to ignore the phrase "as applicable" that appears in RSA 378:38. Instead, both OCA and CENH argue that the Company must comply with each and every component of RSA 378:38 (CENH In. Br. at 9-16; OCA In. Br. at 11-12). This is illogical because it ignores both the

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[10] CENH recommended consideration of TVR rates as a demand side resource (CENH In. Br. at 11 citing Exh. 19, at Bates 000015-000016). However, AMI infrastructure must be deployed before TVR can be implemented (see Exh. 24). Further, implementation of TVR rates would require a Commission proceeding because there are specific policy concerns that must be accounted for with respect to TVR rates (e.g., there can be equity issues associated with TVR rates that must be considered). Future implementation of TVR would be incorporated into the Company's forecast but it is difficult to discern how TVR could be used to address a specific, identified need resulting from the Company's forecast.

Company's divestiture of its generating assets in 2018 and the plain language of RSA 378:38 (Co. In. Br. at 13 citing Exh. 1, at Bates 000048). Further, this interpretation is inconsistent with the Commission's precedent. See, e.g., DE 20-002, Order No. 26,666 (2022).

CENH argues that the Company could have complied with these provisions through adoption of CENH's broader definition of an NWA to include assets that are outside of the Company's control (CENH In. Br. at 15). As discussed above and below, the Company cannot treat DERs that are outside of its control as assets because they cannot be relied upon to meet demand. The Company's necessary definition of an NWA does not mean that the Company's NWA Framework precludes consideration of any resources that could lower emissions or that the Company does not other otherwise consider environmental impacts associated with its distribution business (Co. In. Br. at 12 citing Exh. 8, at Bates 000012; see also Exh. 1, at Bates 000042, 000048, 0000064-000112 and Exh. 3, at Bates 000002). Consideration of environmental impacts includes the Company's efforts to interconnect clean, renewable energy into New England through offshore wind, solar and other initiatives (id.).

2. Consideration of the N-1 Planning Standard is Beyond the Scope of this Proceeding.

In its Initial Brief, CENH recommends that cost allocation for interconnection upgrades resulting from application of the N-1 planning standard to DER interconnection be suspended pending the outcome of the DOE's investigation in DOE Docket No. IP 2022-01 (i.e., CENH recommends that the costs associated with interconnection upgrades be shifted to ratepayers pending the outcome of DOE Docket No. IP 2022-01) (CENH In. Br. at 16). CENH argues that the decision to allocate interconnection costs for DERs should be based on a comprehensive analysis that includes both the update costs but also the relative benefits (id. at 17).

The Company supports consideration of cost allocation for interconnection upgrades and has acknowledged that there are other methods of allocating interconnection upgrade costs (see

Company In. Br. at 25 citing Exh. 15, at Bates 000006, 2023 Mar. 7 Tr. at 143; 2023 Apr. 25 Tr. at 54). However, any change in the allocation methodology would require a revision to the Company's tariff and would also result in shifting of costs from DER developers to the Company's distribution customers (Exh. 15, at Bates 000006). For this reason, the Company has recommended that this discussion occur as part of the pending DOE investigation (or some other investigation). As CENH notes, the DOE's investigation is already underway and will result in findings that can inform whether the Commission supports a change in cost allocation policy.

In the meantime, there is no basis for suspending the Company's application of the N-1 planning standard pending the outcome of that investigation. Suspending the planning standard will impact system reliability over the short and long term. It is also important to understand that, while application of the N-1 planning standard can result in increased costs associated with interconnection upgrades, this is not always the case. The Company applied the N-1 planning standard to 31 DER projects that applied for interconnection between 2018 and 2022 (Exh. 15, at Bates 000055). Of these 31 projects, only four triggered N-1 interconnection upgrades and all four projects are rated greater than 5 MW with an average rated output of over 20 MW (id.).

CENH's argument that withdrawal of projects is "restricting rapid deployment of low-cost energy supply at a time of historically high energy rates" is also not supported by any data and is misleading (CENH In. Br. at 18). Energy supply costs have increased based on market conditions that are outside the control of the Company. Further, it is incorrect that DER will necessarily lower supply costs. Instead, DERs can force lower-cost base load plants off the grid in favor of high cost flexible peaker plants. This can actually drive up costs and make the bulk system more reliant on gas which must be imported in the form of liquified natural gas. Further, DERs that serve as generation only increase the available capacity on the grid during the time these assets generate. Solar assets, for example, often generate capacity outside of peak load. Therefore, DERs may not actually contribute to reductions at peak and therefore are not lowering transmission costs[11] (see CENH In. Br. at 18). All of these factors can be considered as part of a broader cost allocation discussion in DOE Docket IP 2022-001.

3. The Company's Definition of Non-Wires Alternative Is Appropriate.

CENH's final recommendation is that the Company's definition of an NWA should be deemed inconsistent with industry practices and as counter to the goals of achieving a least-cost energy systems (CENH In. Br. at 20). The definition of NWA that CENH takes issue with is the Company's explanation that an NWA remains an asset that is within control of the Company (id. at 15 citing 2023 Apr. 25 Tr. at 45-46). CENH alleges that this definition has allowed Eversource to disregard opportunities associated with integration of DERs (CENH In. Br. at 15).

The Company disagrees with this recommendation. As the Company explained at the hearing in this matter, when the Company is performing an NWA analysis it is doing so to address a s*pecific need* (2023 Apr. 25 Tr. at 45). It is therefore important for the solution to that specific need to be available when called; this requires the asset to be under the Company's control (id.). As the sole party responsible for maintenance of a safe and reliable grid, it is entirely reasonable and appropriate for the NWA analysis to consider only solutions that will be under the Company's control. Limiting NWAs to Company controlled assets also ensures that the asset is maintained, simplifies compensation associated with the asset, and can lead to less expensive options because there is no third-party owner of the asset seeking to make a profit. Accordingly, CENH's fourth recommendation should not be adopted.

[11] CENH states in its initial brief that "Studies have projected that a clean energy grid with widespread distributed energy projects across the United States could save $88 billion in energy spending by 2050 (CENH In. Br. at 4). However, without a cite to such studies or any additional context it is difficult to substantively respond to these assertions.

III. Conclusion

The record in this proceeding demonstrates that the Company's 2020 LCIRP satisfies all statutory requirements and should be approved together with the Settlement Agreement entered between Eversource and DOE. The Initial Briefs filed by OCA and CENH do not change this conclusion. Eversource has taken note of concerns raised in this proceeding regarding the format and reviewability of the 2020 LCIRP and the Company is fully committed to making appropriate changes in the next LCIRP to implement a format that will facilitate review by the Commission and stakeholders, as well as making other changes.

As the Company explained in its Initial Brief, the electric distribution grid and New Hampshire regulatory framework have both evolved since 2020. This evolution should be reflected in directives applicable to the next iteration of the LCIRP but should not be used as a basis for rejecting the 2020 LCIRP.

Respectfully submitted as of June 30, 2023, by

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Certificate of Service

I hereby certify that on June 30, 2023, a copy of this brief has been electronically forwarded to the service list in this docket.

Jessica Buno Ralston

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Jessica Buno Ralston